

| | | | | | |
|------------------------------------------------------------------------------------|--------------------------------------|-------------------------------------------------------------|--------------------------------------------------------------------|----------------------------------------------------|-------------|
| REQUEST FOR COUNCIL ACTION CITY OF SAN DIEGO | | | | CERTIFICATE NUMBER (FOR COMPTROLLER'S USE ONLY) | |
| TO: CITY COUNCIL | | FROM (ORIGINATING DEPARTMENT): Public Works - Publishing | | DATE: 01/16/2013 | |
| SUBJECT: Convenience Copier Contract Report to the Budget & Finance Committee | | | | | |
| PRIMARY CONTACT (NAME, PHONE): Tony Heinrichs, 619-236-6274 9A | | | SECONDARY CONTACT (NAME, PHONE): Mike Frattali, 619-236-6579 9A | | |
| COMPLETE FOR ACCOUNTING PURPOSES | | | | | |
| FUND | | | | | |
| DEPT / FUNCTIONAL AREA | | | | | |
| ORG / COST CENTER | | | | | |
| OBJECT / GENERAL LEDGER ACCT | | | | | |
| JOB / WBS OR INTERNAL ORDER | | | | | |
| C.I.P./CAPITAL PROJECT No. | | | | | |
| AMOUNT | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | | | | | |
| FUND | | | | | |
| DEPT / FUNCTIONAL AREA | | | | | |
| ORG / COST CENTER | | | | | |
| OBJECT / GENERAL LEDGER ACCT | | | | | |
| JOB / WBS OR INTERNAL ORDER | | | | | |
| C.I.P./CAPITAL PROJECT No. | | | | | |
| AMOUNT | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| COST SUMMARY (IF APPLICABLE): | | | | | |
| ROUTING AND APPROVALS | | | | | |
| CONTRIBUTORS/REVIEWERS: | | APPROVING AUTHORITY | | APPROVAL SIGNATURE | DATE SIGNED |
| Liaison Office | | ORIG DEPT. | | Heinrichs, Tony | 1/24/2013 |
| | | CFO | | | |
| | | DEPUTY CHIEF | | | |
| | | COO | | | |
| | | CITY ATTORNEY | | | |
| | | COUNCIL PRESIDENTS OFFICE | | | |
| PREPARATION OF: | <input type="checkbox"/> RESOLUTIONS | <input type="checkbox"/> ORDINANCE(S) | <input type="checkbox"/> AGREEMENT(S) | <input type="checkbox"/> DEED(S) | |
| STAFF RECOMMENDATIONS: This is an information only report. | | | | | |
| SPECIAL CONDITIONS (REFER TO A.R. 3.20 FOR INFORMATION ON COMPLETING THIS SECTION) | | | | | |
| COUNCIL DISTRICT(S): | | All | | | |

| | |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| COMMUNITY AREA(S): | All |
| ENVIRONMENTAL IMPACT: | This activity is not subject to CEQA as provided in the Guidelines section 15060(c)(3) because the purchase is a continuing administrative or maintenance activity, and therefore not a project pursuant to Guidelines section 15378(b)(2). |
| CITY CLERK INSTRUCTIONS: | |

**COUNCIL ACTION
EXECUTIVE SUMMARY SHEET
CITY OF SAN DIEGO**

DATE: 01/16/2013

ORIGINATING DEPARTMENT: Public Works - Publishing

SUBJECT: Convenience Copier Contract Report to the Budget & Finance Committee

COUNCIL DISTRICT(S): All

CONTACT/PHONE NUMBER: Tony Heinrichs/619-236-6274 9A

DESCRIPTIVE SUMMARY OF ITEM:

Report summarizing the status and anticipated savings of the convenience and production copier contract.

STAFF RECOMMENDATION:

This is an information only report.

EXECUTIVE SUMMARY OF ITEM BACKGROUND: On November, 1, 2011, the City Council approved the Rental Convenience and Production Copier Contract (R-307090) replacing the incumbent vendor with Sharp Business Systems (Sharp). At that time, Council directed staff to provide an updated report, including an analysis of any savings, after one year of the contract to the Budget & Finance Committee. The transition from the incumbent vendor to Sharp began on November 14, 2011 and was completed by December 31, 2011. A report providing the status and savings information is attached.

The Convenience Copier Program supplies multi-function devices (copiers/printers/scanners) to every city Department. There are a total 567 convenience copiers located in most offices, including police and fire stations, recreation centers, and libraries. Production copiers are high-capacity machines used by Publishing Services for large or specialized print jobs.

FISCAL CONSIDERATIONS: NA

EQUAL OPPORTUNITY CONTRACTING INFORMATION (IF APPLICABLE): NA

PREVIOUS COUNCIL and/or COMMITTEE ACTION (describe any changes made to the item from what was presented at committee): Directed at the Council Meeting of November 1, 2011.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: NA

KEY STAKEHOLDERS AND PROJECTED IMPACTS: NA

Heinrichs, Tony

Originating Department

Deputy Chief/Chief Operating Officer



THE CITY OF SAN DIEGO

MEMORANDUM

DATE: January 23, 2013

TO: Budget & Finance Committee

FROM: Tony Heinrichs, Director, Public Works Department

SUBJECT: Convenience and Production Copier Contract Update

Council approved the Rental Convenience and Production Copier Contract on November 1, 2011 (R-307090) replacing the incumbent vendor with Sharp Business Systems (Sharp). The resolution included a motion directing staff to report back on the status of the anticipated savings and any proposed changes to the contract to the Budget & Finance Committee after one year. The transition from the incumbent vendor to Sharp began on November 14, 2011 and was completed by December 31, 2011.

The Public Works Department estimated that the contract would save the City \$939,021 the first year and \$1,260,021 annually in its October 18, 2011 memo to Council (attachment 1). Transition costs were estimated at \$321,000.

Actual transition costs were less than estimated because changes to the SAP EAM system were covered by the existing system maintenance fees and the deployment of the new copiers was completed on-time and without any significant logistical or technical difficulties. Final out-of-pocket transition expenses totaled \$9,359, offset by the sale of obsolete production copiers generating \$6,756 in revenue for a net of \$2,603.

Cost savings are summarized in attachment 2. The first year savings have been realized. Savings in subsequent years will be dependent on citywide usage.

Sharp, Publishing Services and the Department of IT are conducting a citywide study to evaluate printer and copier costs as a follow-up to an extensive assessment conducted by Publishing Services and Sharp prior to the deployment of the new convenience copiers. A preliminary copier/printer study of the Development Services Department has been completed, providing a baseline methodology to evaluate copier and printer costs. The Police Department has already completed an assessment of its requirements and minimized the number of printers on its network. Work on the study is progressing as resources become available. In addition to the

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Budget & Finance Committee
January 23, 2013

study, the Copier Program analyzes copier usage patterns and manages the fleet of copiers on a continual basis, and redeploys copiers when necessary to realize savings.



Tony Heinrichs
Director Department

MF

Attachments: 1. Public Works Department memo of October 18, 2011
2. Cost Savings Summary



THE CITY OF SAN DIEGO

MEMORANDUM

DATE: October 18, 2011

TO: Council President Young and Members of the City Council

FROM: Tony Heinrichs, Director, Public Works Department

SUBJECT: City Rental Convenience and Production Copier Contract

At its October 5, 2011 meeting, the Council Budget and Finance Committee requested additional information regarding the Mayor's recommendation to award the convenience and production copier contract to Sharp Business Systems. In addition, attached to this memorandum is a staff copier needs assessment that supplements information contained in a Konica Minolta needs assessment previously provided to the Budget and Finance Committee.

1. Provide a breakdown of cost savings and how the savings are to be allocated.

| | |
|-------------------------------------------------------|--------------------|
| Actual FY 2011 Convenience Copier Expenses: | \$1,999,671 |
| Actual FY 2011 production copier expense: | <u>\$ 286,988</u> |
| Total | \$2,286,659 |
| First year estimated contract cost from Sharp | <u>\$1,026,638</u> |
| Gross estimated annual savings: | \$1,260,021 |
| First year (one-time) transition costs (see #2 below) | <u>\$ 321,000</u> |
| Net first year savings | \$ 939,021 |
| Savings to General Fund 40% | \$ 375,608 |
| Savings to Non-General Funds 60% | \$ 563,412* |

*(This includes City Enterprise and Internal
Service Funds)

| | |
|------------------------------------|-------------|
| Ongoing Savings | \$1,260,021 |
| Savings to General Fund 40% | \$ 504,008 |
| Savings to Non-General Funds (60%) | \$ 756,012 |

2. Provide a breakdown of upfront and/or transition costs estimates

| | |
|-----------------------------|-------------------|
| Network connection expenses | \$ 171,000 |
| SAP EAM updates* | \$ 50,000 |
| Contingencies | <u>\$ 100,000</u> |
| Total | \$ 321,000 |

*(Cost to update the software used by Publishing Services to bill client departments)

3. Explain advantages and disadvantages of using a blended rate.

In the RFP, copiers are classified into segments 1-8 (smallest to largest) and 9 which is a special purpose plotter. Of the nine segments, only segments 1, 2 and 3 have blended rates.

The blended cost rate in the proposed contract is cost neutral based on the ratios of color to black/white copies obtained over the last fourteen months. If the ratio of color to black/white copies changes in favor of more color copies, the City would experience a pricing advantage. The blended rate gives the City the incentive to transfer printing from older deskjets retained primarily for their color capability to segment 1 or 2 copiers. At the same time, usage from higher volume networked black & white printers will be transferred to the black & white only segment 4, 5 or 6 copiers.

Staff will closely monitor the color to black/white ratios for the segment 1, 2, and 3 machines and make a determination whether to adjust the per copy pricing schedule for these machines in the future.

Following the first full year of operations, staff will also provide the Budget and Finance Committee with a summary of the first year activities, along with a discussion of any changes to past trends and changes to the proposed rate structure.

4. Benchmark the proposed blended rate based on current usage

| Segment | Type | actual FY 11 copies | Sharp cost per copy | Cost per segment |
|---------|-------|------------------------|---------------------------|------------------------|
| 1 | color | 326,915 | 0.0300 | 9,807 |
| 1 | bw | 1,535,609 | 0.0300 | 46,068 |
| 2 | color | 1,949,209 | 0.0318 | 61,985 |
| 2 | bw | 7,276,186 | 0.0318 | 231,383 |
| 3 | color | 2,217,114 | 0.0213 | 47,225 |
| 3 | bw | 7,509,040 | 0.0213 | 159,943 |
| 4 | bw | 9,326,801 | 0.0168 | 156,690 |
| 5 | bw | 3,079,388 | 0.0100 | 30,794 |
| 6 | bw | 1,906,422 | 0.0110 | 20,971 |
| 7 | bw | 7,571,709 | 0.0064 | 48,459 |
| 8 | color | 416,704 | 0.0510 | 21,252 |
| 9 | bw | 474,951 | 0.0360 | 17,098 |
| Total | | 43,590,048 | | 851,674 |

If the Sharp RFP pricing schedule had been in effect in FY 2011, convenience and production copier expenses would have totaled \$851,674. The segment 1-3 expense would have been \$556,411 compared to the actual total FY 2011 cost for segment 1, 2 and 3 machines of \$1,429,487.

5. Explain how costs were adjusted for the various proposers

The cost adjustment calculation is defined in Section B of the RFP. The proposed price in the RFP is divided by the average qualitative score of the proposal. A proposer's qualitative score is determined by averaging scores from each member of the evaluation team. The criteria used to determine the qualitative score are responsiveness to the RFP, responses to specifications, and qualifications and experience.

For example, a \$1,000,000 price proposal with an average qualitative score of 0.85 would have an adjusted cost of \$1,000,000/0.85 or \$1,176,471. The higher the qualitative score, the lower the adjusted cost.

6. Provide actual cost details for black & white and color copies

FY 2011

| | |
|---------------------------------------|-------------|
| Convenience copier black & white cost | \$1,619,301 |
| Convenience copier color cost | \$ 380,370 |
| Convenience copier cost | \$1,999,671 |
| Production copier black & white cost | \$ 80,761 |
| Production copier color cost | \$ 113,000 |
| Total production copier cost | \$ 193,761 |

7. Provide a contract estimate if only black & white copies are produced

Based on the volume specified in the RFP, black & white only copies would cost the City \$841,250 per year under the first year of the proposed contract. This assumes copies made on the color only segment 8 copier would be made on a segment 7 black & white copier.



Tony Heinrichs
Director Department

MF/mf

Attachments: 1. City of San Diego Copier Assessment



THE CITY OF SAN DIEGO

PUBLISHING SERVICES DIVISION

PUBLIC WORKS DEPARTMENT

CONVENIENCE COPIER ASSESSMENT REPORT

OCTOBER 18, 2011

This report provides an assessment of City of San Diego convenience copier needs as requested by the City Council Budget and Finance Committee.

Methodology

This assessment report was prepared by City staff and supplements a copier needs assessment effort being conducted by Sharp Business Systems in preparation for the deployment of new copiers pursuant to Request for Proposal No. 10015368A-12-A (the RFP).

This assessment is a high-level analysis based on usage data from convenience and production copiers, information from the RFP responses, a review of industry literature, and telephone interviews with copier contract subject matter experts.

Background

The Convenience Copier Program (CCP) operates multi-function devices (MFDs), not copiers. MFDs are capable of copying, printing, scanning and faxing. The CCP only tracks impressions, which can be either copies, prints or printed faxes. It does not track scans or outgoing faxes. In addition, the city does not track prints made on non-CCP printers. This is a significant gap in the data required to analyze combined copier/printer requirements. The City purchases printers through a contract with Sarcom that is administered by the Department of Information Technology.

The CCP MFDs also serve as standard scanning devices. Scanning is used by City staff to image documents with markups or signatures, scan invoices to network folders as part of the OneSD accounts payable process, and digitize hard copy archives. The CCP is not charged for scans under current or proposed contracts.

Copiers are classified into segments 1-8 (smallest to largest) and 9 which is a special purpose plotter. There are two models of copiers in segments 1-3, one black & white and one color. Segments 1-6 are used by the CCP and 7-9 by the Quick Copy center. In general, with per click pricing, the higher segment number of copier, the lower the per copy cost.

| Segment | Used By | Description |
|---------|------------|-------------------------------------------|
| 1 | CCP | Small desktop black & white or color MFD |
| 2 | CCP | Medium desktop black & white or color MFD |
| 3 | CCP | Small office black & white or color MFD |
| 4 | CCP | Intermediate office black & white |
| 5 | CCP | Intermediate office black & white |
| 6 | CCP | Large black & white |
| 7 | Quick Copy | Very large black & white |
| 8 | Quick Copy | Very large color |
| 9 | Quick Copy | Large format plotter |

Copier Usage Analysis

The first copier benchmark is to determine if a copier is being used at a rate at or above its specified monthly print volume. The method is comparable to determine a vehicle's efficiency by tracking the number of passengers on each trip: a small car is efficient transporting one passenger, while an SUV is efficient at four or more passengers. Each copier segment has a monthly print volume specified in the RFP. The print volume is the number of prints a copier of a certain segment is designed to produce in a month. This metric compares the monthly copier volume in the specification to the actual monthly volume for each copier. Actuals were recorded monthly for each copier from July 2010 to August 2011.

If a copier made less than the specified copies in one month, it is considered 'underutilized'. This method does not consider any annual 'peak output' requirement an office might have of a copier. An example of a peak output requirement is the increase in monthly print volume at end of the fiscal year (the highest monthly print volume are observed in July). The results by segment are as follows:

| Segment | Average monthly volume FY 2011 | Specified Monthly Volume | Percent underutilized per month |
|---------|-----------------------------------|--------------------------|------------------------------------|
| 1 | 1,507 | 1,000 | 68% |
| 2 | 2,755 | 10,000 | 94% |
| 3 | 8,356 | 20,000 | 92% |
| 4 | 10,647 | 40,000 | 96% |
| 5 | 23,329 | 40,000 | 82% |
| 6 | 52,956 | 50,000 | 68% |

Overall, the majority of convenience copiers are underutilized by this measure. With the exception of segment 1, which has a very low monthly volume, the low volume copiers are the most underutilized. This indicates the City should, where operationally possible, eliminate segment 1-3 copiers and transfer the usage to segment 4-6 copiers.

Locations with the greatest number of underutilized copiers per month include:

1200 3rd Avenue Civic Center Plaza
 1222 1st Avenue Development Services

A similar metric estimates the number of copiers required by the City using a 'zero based' approach. The actual number of copies made per year is divided by the annual copier volume per segment, giving the minimum number of copiers required per segment Citywide.

| segment | Annual volume specification | actual FY 2011 copier volume | 'zero based' requirement | Actual copiers deployed* |
|---------|-----------------------------|------------------------------|--------------------------|--------------------------|
| 1 | 12,000 | 1,862,524 | 155 | 103 |
| 2 | 120,000 | 9,225,395 | 77 | 279 |
| 3 | 240,000 | 9,726,154 | 41 | 97 |
| 4 | 480,000 | 9,326,801 | 19 | 73 |
| 5 | 480,000 | 3,079,388 | 6 | 11 |
| 6 | 600,000 | 1,906,422 | 3 | 3 |
| | | | 302 | 566 |

*as of October 2011

The calculations indicate the City has less segment 1 copiers than required, but this is due to the very low monthly volume specification. The number of segment 2 copiers currently in place is high, indicating that these devices should be phased out in favor of segment 4-6 copiers.

Copy Usage Trends

Convenience copier impressions have been declining over the past three fiscal years. This is consistent with observed industry wide trends.

| | Impressions |
|---------|-------------|
| FY 2009 | 41,900,161 |
| FY 2010 | 38,533,895 |
| FY 2011 | 35,126,684 |

The underlying cause of the decline can be attributed to cost saving measures by Departments, increased awareness of the environmental impact of printing unneeded copies, and the ongoing transition to the 'paperless' office.

CCP impressions have declined even as the City has reduced the number of printers by 400 from FY 2010 to FY 2011. It is not known if the print volume from this equipment migrated to other printers or CCP copiers.

There are 10,108 City FTE positions budgeted in FY 2012, 566 convenience copiers and approximately 2,056 printers in the inventory, for a ratio of 3.85 devices per employee. This is down from 575 copiers and approximately 2,454 printers in August 2010. Although the overall ratio (printers and copiers) has improved from 3:1, it is still below the 7:1 'industry standard'. With printers excluded, the employee to copier ratio is 18:1.

Chart 1 displays color copies made over the past year. The number of color copies month to month has remained in the 250,000 to 400,000 range.

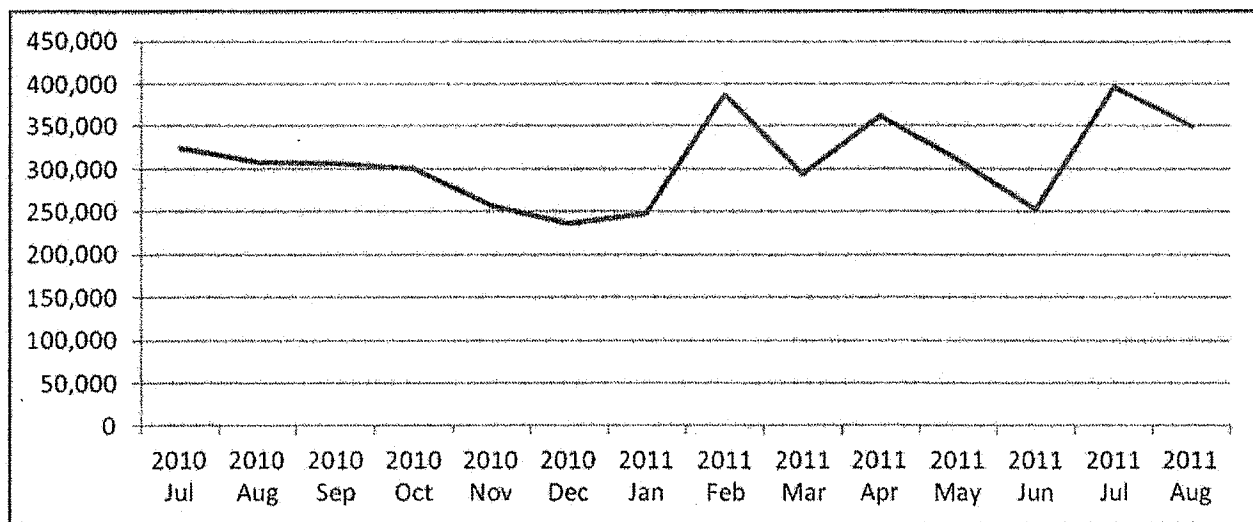


Chart 1

Chart 2 displays color use as a percent of total use over the past year. Again, the rate has remained in a narrow range.

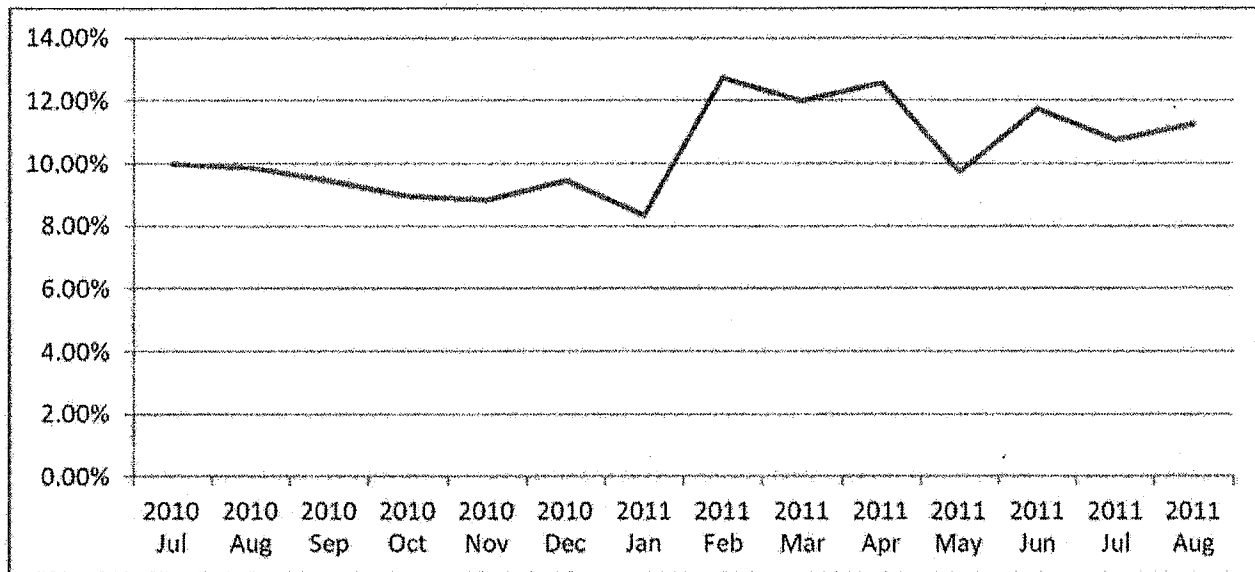


Chart 2

Management Considerations

Even though the number of copies continues to decline and staff/device ratios are below the 'industry standard', there is no one ideal ratio to impose on any City department. Staff requirements vary by department. The requirements of public safety departments may be different from those such as Park & Rec, in that the consequence of failure is greater. By the same reasoning, Park & Rec may require a lower staff/copier ratio as it is responsible for a greater number of facilities, each with comparatively small staffing.

Assessments of individual City facilities indicate that at some locations staff is rigorously implementing best practices to minimize the number of devices. An on-site inspection of the Police Department headquarters (1401 Broadway) found a limited number of non-MFD equipment: two fax machines and six printers. Some of these devices were dedicated to specific operational functions. Most of the staff is already printing to the 73 installed MFDs. Further reducing the number of copiers would not be practical due to security requirements which isolate floors and offices. With 500 employees working at the site, the staff/device ratio is approximately 6:1.

Cost models: Lease and Per Copy

Many convenience copier type contracts are leases under which the client pays a fixed amount per month for each device. The lease fee entitles the client to a fixed number of impressions

below a preset threshold. Any copies over the threshold are charged at a per click rate. The 'overage' per click rate is typically lower than the click rate of a comparable per copy pricing model. If a client uses all the copies it in effect pre-pays for, leasing can be an efficient pricing model. However, if copy distribution is uneven across the copier fleet, or varies significantly from month to month, the client will overpay. On an average month, 82% of the City convenience copiers make fewer copies than the 'pre-paid' threshold amount on the lease. Over the course of a year, the total number of unused copies is approximately 5 million.

Comparable Municipalities

As part of this assessment, CCP staff conducted interviews of other Southern California municipal government contract managers in order to develop a general understanding of convenience copier usage.

Overall, the experiences of the contract managers were similar. Most observed staff/MFD ratios in the 15:1 to 7:1 range. In most cases, there were significant numbers of printers deployed throughout the workspace, either managed through a separate centralized contract or on an 'ad-hoc' basis. None had conducted a recent comprehensive copier assessment, but they were all generally aware of the need to control the staff to copier ratio and the cost savings that could be realized by increasing use of networked MFDs.

In most cases, the convenience copiers were managed under a single five year lease with a single vendor. The municipality pays a monthly lease fee for a predetermined amount of copies per month. One contract manager stressed the importance of pooling copier allowances across devices and across months, in a manner similar to pooling cell phone minutes in a family plan.

One county maintained four parallel contracts with separate vendors. This allows the county to capture the benefits of competition on an ongoing basis and gives individual Departments more control of the brand of copiers they have on site. The use of multiple contracts also eliminates over-reliance on any one copier supplier. The disadvantages of this type of contract include the loss of economy of scale with four vendors operating at any one time.

No municipality formally managed the copier fleet to achieve a specific 'industry standard' ratio; which was not considered to be a meaningful measure. An example cited as a problem with a fixed ratio were MFDs reserved for emergency support that are not used on a routine basis.

One metric used to determine the placement of MFDs was the '40 paces' rule. In this situation, copiers are placed so that no employee is more than 40 paces from a centralized hub copier.

Production Copier Usage

The RFP included production copiers for the Quick Copy Center. Upgrading these copiers was part of the Print Shop managed competition bid. The proposed RFP will allow for a single vendor to manage Print Shop copiers and greatly simplify contract administration. It is also expected to facilitate integration of CCP and production equipment.

The production copiers are used by Publishing Services for jobs that are too large or complex for convenience copiers. Pricing to client departments for the production copiers is not on a per click basis since it requires staff time and additional services such as binding.

| Segment | Type | FY 09 | FY 10 | FY 11 |
|---------|-----------------------------|-----------|-----------|-----------|
| 7 | Large black/white printer | 9,841,027 | 8,357,928 | 7,571,709 |
| 8 | Large color printer | 294,470 | 364,104 | 416,704 |
| 9 | Wide format plotter scanner | 389,524 | 403,584 | 474,951 |

While overall production copier usage has been declining, color copier and plotter usage is increasing. Quick Copy would be advised to retain these devices.

Environmentally Preferred Purchasing Program

The CCP is cooperating with the Environmentally Preferred Purchasing Program to identify and implement best practices to reduce overall paper consumption and mitigate the overall environmental impact of copier use. The practices include:

Setting the default mode to 'black & white' and 'duplex' for all copiers

Encouraging the use of scanned documents or electronic records instead of maintaining hard copy files

Maintaining the toner recycling program for all City devices

Recommendations

For the City's purposes, 'per click' pricing is advantageous since it offers more flexibility and less risk in an environment when copy volumes are expected to remain stable or decline.

The City will continue efforts to migrate printing from standalone devices to 'high segment' convenience copiers. Departments with very few exceptions should not have any standalone printers, scanners or fax machines. Exceptions can be made for unique operational requirements. In order to preserve confidentiality, copiers can be coded so they will not print until the intended user is at the machine to receive the printout. Specific recommendations include:

Eliminate any remaining inkjet printers in the City inventory and replace with segment 1 or 2 MFDs.

Identify networked printers that can be eliminated based on a cost per copy comparison to MFDs that includes network connection costs. The print volume from these printers can be shifted to segment 4, 5, and 6 copiers.

Implement a 40 paces rule when placing office 'hub' copiers

Make greater use of the Print Shop Quick Copy Center for large or complex jobs.

Steps taken to reduce the overall number of copiers and printers also reduce electricity costs and minimize the number of network connections.

Long Term Considerations

After the deployment of the new MFDs, the CCP, Department of IT and Sharp will conduct an enterprise wide system assessment with the goal of integrating and managing all copiers, printers, scanners and other devices, regardless of manufacturer. There should also be ongoing cooperation between OneSD, DoIT and the CCP to coordinate networked device management.

Publishing Services operates traditional offset printers as well as production copiers. The demand for offset printing has declined at a significant rate, making it difficult to maintain an installed base of specialized presses and binding equipment. Publishing Services should invest in capital equipment that would move the overall workload from presses and bindery machines to networked production copiers. Such capital equipment includes specialized business card cutters and modern 'on demand' book making machines.

The CCP other City Departments should plan to integrate records management with the MFD scanning functionality. The possibility of upgrading the MFD scanner functionality to serve as an onramp to a records/document management system should be researched.

Prepared by:



Mike Frattali
Supervising Management Analyst
Publishing Services Division
Public Works Department

First-Year Convenience Copier Costs and Savings

| | Initial Estimate | | Actual | |
|-------------------------------|------------------|-----------|--------|-----------|
| Old Contract Costs | \$ | 2,286,659 | \$ | 2,286,659 |
| New Contract First Year Costs | \$ | 1,026,638 | \$ | 1,088,943 |
| One-time transition costs | \$ | 321,000 | \$ | 2,603 |
| Total First Year Costs | \$ | 1,347,638 | \$ | 1,091,546 |
| Net savings | \$ | 939,021 | \$ | 1,195,113 |

Attachment 2